

IOWA LEGISLATIVE HEALTH CARE COVERAGE COMMISSION

OCT 25, 2010

WORKGROUP III – EXCHANGES

2010 DRAFT RECOMMENDATIONS

Recommendation 1. (Chair's Recommendation)

The Iowa Insurance Information Exchange shall be fully operational by July 1, 2011, and shall operate under the following guidelines:

- **Purpose**
The Insurance Information Exchange shall adopt as its purpose the provision of impartial information about available private and public health coverage options in Iowa, and the facilitation of enrollment through an insurance professional or designated state agency.
- **Governance**
 - * The Insurance Information Exchange shall be located in a new or existing State agency, or a quasi-governmental agency with a governing board. The advisory board shall consist of individuals representing carriers, providers, agents/brokers and the public. The governing board shall:
 - * Review the plan of operation and submit proposed amendments;
 - * Create a financial plan that will insure the Iowa Insurance Information Exchange will be able to carry out its duties, including determining from the plan of operation if an assessment beyond the SF 2356 appropriation is necessary for the proper administration of the Iowa Insurance Information Exchange;
 - * Review outstanding contracts or agreements and make necessary corrections, improvements or additions;
 - * Hold quarterly governing board meetings and an annual meeting of the governing board to be held at such times and places as the governing board may determine; and
 - * Review, consider and act on any other matters deemed necessary and proper for the administration of the Iowa Insurance Information Exchange.
- **Consumer Disclosure/Transparency**
 - * Carriers and public plans shall use a standardized format for presenting health coverage options in the Iowa Insurance Information Exchange to facilitate comparison of all plans.
- **Duties**
The Iowa Insurance Information Exchange shall be responsible for:
 - * Operating a call center/web portal system capable of 1) providing impartial and easily accessible information about available private and public health coverage options in Iowa (Medicaid, hawk-I, IowaCare, High Risk Pools (state and federal), and 2) facilitating private and public plan enrollment through an insurance professional or designated state agency;
 - * Collecting data from carriers and public agencies and operation of call center/web portal;

- * Coordinating and communicating between health plans and publicly provided coverage to ensure seamlessness;
- * Conducting an initial marketing campaign promoting the Iowa Insurance Information Exchange and the availability of comparative health coverage information in Iowa;
- * Conducting ongoing marketing of the Iowa Insurance Information Exchange; and
- * Requiring carriers, organized delivery system, and public programs to submit coverage and eligibility changes quarterly to the Iowa Insurance Information Exchange agency for updates to call center/web portal.

Rationale—Use this Iowa Information Exchange to ease into an exchange that distributes subsidy, while at the same time promoting important goals between 2011 and 2014.

Recommendation 2. (Chair's Recommendation)

Iowa take all necessary action to maximize its opportunities to administer its own health care markets by committing resources to the processes necessary to establish an Iowa-American Health Benefit Exchange in 2014 (2014 Exchange). The 2014 Exchange shall focus on the following goals:

- Improve Access to Coverage
 - * Reduce the number of uninsured Iowans by creating an organized, transparent marketplace for Iowans to:
 - ✓ Purchase affordable, quality health care coverage;
 - ✓ Claim available federal tax credits and cost-sharing subsidies; and
 - ✓ Meet the personal responsibility requirements imposed under the PPACA.
- Strengthen the State Insurance Marketplace.
 - * Promote the availability and renewability of health care coverage through the private health insurance market to qualified individuals and qualified small employers; and
 - * Require that health care service plans and health insurers issuing coverage in the individual and small employer markets compete on the basis of price, quality, and service, and not on risk selection.
- Strengthen the Health Care Delivery System Quality
 - * Improve quality of health outcomes; and
 - * Reduce the rate of health care cost increases.
- Increase Transparency in the Insurance Marketplace
 - * Promote transparency in exchange operations, especially the cost of coverage and levels of public subsidy; and
 - * Meet the requirements of the Patient Protection and Affordable Care Act and all applicable federal guidance and regulations.

Rationale—Avoid imposition of federally run exchange in Iowa and improve access, cost and quality in Iowa.

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Recommendation 3. (Workgroup Member – Mike Abbott)

Establish guiding principles for health care reform and the 2014 PPACA Exchange:

- a. Access—Provide quality access for all
- b. Quality—Improve quality of health results
- c. Cost—Lower cost increases

Rationale—To have the guiding principles for health care reform as the overarching goals for developing the exchange in Iowa

Recommendation 4. (Workgroup Member – Mike Abbott)

Transparency—The Iowa Insurance Information Exchange and a subsequent 2014 PPACA Exchange should promote transparency on issues, costs and solutions involving the exchange(s).

Rationale—As this is a significant undertaking that will impact the Iowa economy and a huge percentage of Iowa's population, it is important we promote transparency of issues, costs and solutions throughout the design and operation of the exchange. Therefore, we recommend a fourth guiding principle be added to the overarching goals.

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Recommendation 5. (Workgroup Member – Mike Abbott)

The Iowa Insurance Information Exchange should be a quality looking web site with information about public and private markets and programs available today and information about what will be available in 2014 with the Exchange. The site should direct consumers to areas, phone numbers, and web sites (direct links would be desirable). Efforts should be focused on ensuring the PPACA Exchange is ready for 2014.

Rationale. When we developed our recommendation for an Iowa information exchange, we did so without clarity on National Health Care reform. Now with the federal requirement for exchanges and the significant reform of health care delivery coming in 2014, there is a short timeframe to get ready for the exchange. Potential for unintended consequences is high and the cost of redesign both in terms of resources and political goodwill is large. As such, we recommend the planning process begin at the earliest possible date, and the information exchange be one that provides information and insight as to what is available today, and what will be available in 2014. It is important this be done by using currently available resources, without developing any significant infrastructure. This will allow the focus to be on preparation for 2014.

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Recommendation 6. (Workgroup Member – Mike Abbott)

The Iowa Insurance Information Exchange and a subsequent 2014 PPACA Exchange should promote the development of quality measurements for providers and transparency in provider cost and quality measurements.

Rationale. As there is going to be even more pressure on quality because of cost and access changes, we need to do everything we can to promote quality. We recently heard two presentations about one way to make a significant difference in quality—require and support transparency for measurements of quality and provider costs.

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Recommendation 7. (Workgroup Member – Mike Abbott)

The 2014 PPACA Exchange tactics for access should focus on maximizing participation, such as:

- a. Auto enrollment in Medicaid programs, and
- b. Easy enrollment for subsidies.

Rationale. Because health care reform created, (a) the ability to guarantee access without concern for health status, and (b) subsidies to make it more affordable for individuals, the main focus for access should be on tactics that maximize participation.

Recommendation 8. (Workgroup Member – Mike Abbott)

The 2014 PPACA Exchange should find ways to improve the cost structure in Iowa, including:

1. Identifying cost implications and making recommendations to ensure affordability for the state, including identifying the population size that will be eligible by income level and market type and percentage estimate that will participate in the Exchange, and
2. Ensuring maximum federal subsidies, to the extent appropriate, for payers and state.

Rationale. Costs are extremely important to all payers; and as such, decisions to improve cost structures in Iowa must become more important. We need to know the cost implications and make appropriate recommendations for the state of Iowa to ensure the state can afford the costs and the states get the maximum federal dollars, providing we do not violate any of our overarching goals.

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IOWA HEALTHCARE COLLABORATIVE (TOM EVANS) AND IOWA HEALTH BUYERS ALLIANCE RECOMMENDATIONS

ADDITIONAL RECOMMENDATIONS RECEIVED FROM OUTSIDE PARTIES

The following four recommendations have been submitted by Dr. Tom Evans, Iowa Healthcare Collaborative (October 14, 2010)

1. Improving quality is a key element to improving health and cost for Iowans. Key drivers to improving quality are having quality measurements and transparency of those measurements. Therefore, we recommend the following:

The commission has as one of its goals the promotion of transparency and public reporting of consistent, actionable quality measurements.

As the exchange is meant to be the most common and visible source of information for Iowans, information on quality measurements should be promoted, and if appropriate, listed on the exchange.

2. It is important these measurements be recognized nationally and be comparable to measurements across state boundaries. The production of measurements is costly, so we recommend:

Measurements are aligned with national initiatives wherever possible.

3. Much foundational work, including the establishment of a health care culture of measurement and reporting, has been done. An example is the public reporting of hospital-specific healthcare-associated infection information, so we recommend:

Development of the measurements and reporting, to the extent possible, is incorporated into existing state initiatives.

4. A most critical factor in the acceptance of the measurements is quality of the data. This has been accomplished, so we recommend:

IHC data is used for comparative reporting.

The following recommendation has been submitted by the Iowa Health Buyers Alliance (Oct. 15, 2010)

Recommendation.

The Commission should recommend that the Iowa Exchange or other agency of state government be designated to drive meaningful public reporting of health providers' performance in Iowa in the interests of consumers, patients, and purchasers as well as providers. This state agency should develop an Iowa Health Services Provider Statewide Information Hub that makes available to the general public Iowa health care providers' quality, patient safety and cost information and other data that are meaningful to consumers and patients. The Hub should include a searchable public website which is consumer friendly.

It is very important that the state agency operate this program focusing on consumers, patients, and purchasers. The Department of Human Services or the Department of Administrative Services have experience and such a focus. If another agency is chosen, a consumer/purchaser council should be in place to advise and assist in a very active role.

In preparing its recommendations in regard to the above item, the Commission should review and report upon efforts underway in other states. There are numerous states which publicly report provider performance which is meaningful to consumers, patients, and purchasers. These include Pennsylvania, Florida, Maine, Minnesota and Massachusetts as well as the Wisconsin Collaborative for Healthcare Quality.